## **AMENDMENTS TO THE CLAIMS**

This listing of claims will replace all prior versions and listings of claims in the application.

## Listing of Claims:

Claim 1 (Previously Presented): A device comprising:

a data disc rotatably mounted on a baseplate:

a printed circuit board (PCB) fastened to the baseplate having a servo controller; and

a central processing unit (CPU) mounted to the PCB running an operating system,

wherein the data disc stores an application program run by the operating system.

Claim 2 (Previously Presented): The device of claim 1 wherein the device is connected to a communications network, further comprising:

an input/output module communicating to a node connected to the communications network.

Claim 3 (Previously Presented): The device of claim 2 wherein the input/output module includes a network interface module operable to communicate to a node on the network using a hypertext transport protocol.

Claim 4 (Previously Presented): The device of claim 2 wherein the input/output module includes a video interface module operable to drive a video monitor via the communications network.

Claim 5 (Previously Presented): The device of claim 1 wherein the device is no larger than a three and one half inch form factor disc drive assembly.

-2-

Application Number 09/938,144 Response to Office Action mailed January 11, 2008

Claim 6 (Previously Presented): The device of claim 1 further comprising a file system managing file data stored on the data disc, wherein the file system is in direct communication with the servo controller.

Claims 7-15 (Canceled).

Claim 16 (Previously Presented): A device comprising:

a printed circuit board (PCB);

a central processing unit (CPU) mounted on the PCB and running an operating system; and

a memory mounted on the PCB storing an application program, wherein the application program is run by the operating system running in the CPU, wherein the memory is selected from a group consisting of:

electronically erasable programmable read-only memory (EEPROM), and flash memory.

Claim 17 (Previously Presented): The device according to claim 16 wherein the memory stores both the operating system and the application program for use by the CPU.

Claim 18 (Previously Presented): An intelligent storage element comprising:

a case forming a substantially sealed environment;

a data disc mounted within the case;

a central processing unit mounted within the case; and

a memory mounted within the case, wherein the memory stores an operating system, and the central processing unit runs the operating system,

wherein the operating system runs application software stored on the data disc.

Claim 19 (Previously Presented): The intelligent storage element of claim 18, wherein the data disc is a magnetic data storage media.

Application Number 09/938,144 Response to Office Action mailed January 11, 2008

Claim 20 (Previously Presented): The intelligent storage element of claim 18, further comprising a network interface module, wherein the network interface module allows the intelligent storage element to communicate across a network.

Claim 21 (Previously Presented): The intelligent storage element of claim 20, wherein the network is a local area network.

Claim 22 (Previously Presented): The intelligent storage element of claim 18, wherein the case comprises a base and a top cover.

Claim 23 (Canceled).

Claim 24 (Previously Presented): The intelligent storage element of claim 18, wherein the memory is random access memory.

Claim 25 (Previously Presented): The device of claim 1, further comprising: a head that reads data from the data disc to produce a signal; and

a channel mounted to the PCB, wherein the channel receives the signal from the head.

Claim 26 (Previously Presented): The device of claim 1, wherein the CPU generates control signals to the servo controller.

Claim 27 (Canceled).

Claim 28 (Previously Presented): The device of claim 16, wherein the operating system is an open-source operating system.

Claim 29 (Previously Presented): The device of claim 18, wherein the device is no larger than a three and one half inch form factor disc drive assembly.

Application Number 09/938,144 Response to Office Action mailed January 11, 2008

Claim 30 (Previously Presented): The device of claim 1, further comprising a memory mounted on the PCB wherein the memory is selected from a group consisting of:

electronically erasable programmable read-only memory (EEPROM), and flash memory

Claim 31 (Previously Presented): The device of claim 1, wherein the application program is selected from a group consisting of:

a spreadsheet program;

a word processor program; and

an accounting program.

Claim 32 (Previously Presented): The device of claim 1, wherein the device is not subservient to a host device.

Claim 33 (Currently Amended): The device of claim 1, further comprising a Basic Input/Output System (BIOS) including boot code.

Claim 34 (New): The device of claim 1, wherein the CPU generates read and write control signals for retrieving and storing data on the data disc.

Claim 35 (New): The device of claim 16, wherein the CPU generates read and write control signals for retrieving and storing data in the memory.

Claim 36 (New): The intelligent storage element of claim 18, wherein the central processing unit generates read and write control signals for retrieving and storing data on the data disc.